

Taken from the file: Permit No. 123 May 07-March 08 Inspection.pdf  
pages 79-87

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## RAILROAD COMMISSION OF TEXAS

### SURFACE MINING AND RECLAMATION DIVISION

March 26, 2008

Mr. Josh Leftwich  
Environmental Manager  
Uranium Energy Corporation (UEC)  
400 Mann Street, Suite 900  
Corpus Christi, Texas 78401


**RE: Weesatche Project, Goliad County**  
**Uranium Exploration Permit No. 123A**  
**Inspection Report**

Dear Mr. Leftwich:

Enclosed is a copy of the report for the inspection completed on March 19, 2008, at UEC's Weesatche Project, Goliad County.

If you have any questions, please contact me at (512) 305-8813.

Sincerely,

  
Mark Schlingens, Manager  
Inspection and Enforcement

MS/sdj  
Enclosure



**RAILROAD COMMISSION OF TEXAS  
SURFACE MINING AND RECLAMATION DIVISION  
URANIUM EXPLORATION INSPECTION REPORT**

Project Name: Weesatche Permit Number: 123A  
 Permittee: UEC County: Goliad  
 Industry Representative(s) Present: John Pollock  
 Inspector: Steve Meadows Date of Inspection: March 19, 2008

**I. Field Conditions and Data Collection**

Samples Collected: No ☒ Yes ☐ Sample Type: Water ☐ Soil ☐ Vegetation ☐  
 Average Temperature 65 Soil Condition Muddy Date Last Rainfall March 18, 2008 Wind Direction/  
 Velocity (Est.) North at 15  
 Photographs Attached: No ☐ Yes ☒ (Complete Section IV)

**II. Enforcement Action Taken**

Notice of Violation Issued: No ☒ Yes ☐ NOV No. \_\_\_\_\_  
 Cessation Order Issued: No ☒ Yes ☐ CO No. \_\_\_\_\_



Inspector Signature

*Steve Meadows*

03/25/2008

Date

*Walter Salinger* 3-25-08

Reviewing Supervisor Signature

Date



Project Name: Weesatche  
 Permit Number: 123A  
 Inspection Date: March 19, 2008

### III. Comments – Inspection Narrative

- Document the area of the permit inspected
- Discuss observations made during the inspection
- Document the results of any field tests taken
- Provide a summary of any discussions with industry representatives, along with results, and expectations from those discussions
- Describe any enforcement action taken during the inspection, along with facts or evidence supporting the enforcement action

Rain the previous day in the Permit 123 area somewhat curtailed access to certain portions of UEC's activities. 40 exploration boreholes located on the Karnei property will need to be inspected in the future as the landowner requested that road travel be avoided on his property during muddy conditions. Plugging and site restoration for 16 boreholes located near the two old un-occupied Braquet house's was completed and the sites inspected. Photo's 1-6 documents the typical quality of site restoration on the acreage near the old houses. The area past the fence line in Photo 3 is the previously inspected portion of the Braquet property where little evidence can be seen of the several dozen restored borehole drill sites located there. I also inspected the site restoration in progress for several borehole sites located in the field visible in the background of Photos 5-6, through which it was necessary to travel to access the Braquet house location. Further surface restoration remains to be done on these sites that will be reported in a future inspection. The coordinates of the 16 boreholes for which surface restoration was complete are given in the table below.

By email dated March 17, 2008, Ms. Margaret Rutherford requested an investigation of 2 exploration boreholes located adjacent to her property, reportedly approximately 300 feet from each of her 2 water wells that supply her drinking water. I found boreholes P1-07-1-20 and P1-07-JN18 located on the Jacobs property at coordinates N382,796.83-E2,533,620.36 and N383,190.69-E2,533,614.74 respectively. During the inspection, I attempted to contact Ms. Rutherford, by telephone and in person, for permission to enter her property and collect a GPS coordinate of her water wells. Unable to access the Rutherford property, I collected a GPS coordinate at the Rutherford property line on Bluntzer Road, and determined borehole P1-07-1-20 to be approximately 374 feet from the property line and borehole P1-07-1-JN18 located at a distance of 246 feet. According to UEC records, drilling and logging of borehole P1-07-1-20 was completed on February 20, 2008 after which the borehole was plugged from a total depth of 500 feet with a slurry of 44 sacks of cement, 50 pounds gel and 9.2 bbls of water. Photo 7 documents a 10-foot metal probe sitting on top of the cement plug. Drilling and logging of borehole P1-07-JN18 was completed on February 26, 2008 and the hole plugged from a total depth of 480 feet with 42 sacks of cement, 50 pounds of gel and 8.83 bbls of water the same day. Borehole P1-07-JN18 is seen in Photo 8 also with the 10-foot metal probe sitting on top of the cement plug. Final topping off and surveying of the borehole plug to complete site restoration was not yet complete at either site although the mud pits were backfilled. I found the surface restoration at both sites to be in good order with all cuttings and drilling mud properly disposed of. The plugging and site restoration procedures followed for these boreholes is consistent with the requirements of the regulations and Permit No. 123A.

Ms. Rutherford returned my telephone call later that day, at which time I informed her of my findings. She related to me that she was unaware of the standard procedure of plugging exploration boreholes with cement from total depth to the surface and remarked that the information was interesting.

**Project Name:** Weesatche  
**Permit Number:** 123A  
**Inspection Date:** March 19, 2008

### III. Comments – Cont.

Hole ID	East (X)	North (Y)
N196	2,497,095.94	13,500,941.94
N256	2,496,678.43	13,501,317.83
N257	2,496,561.82	13,501,103.81
N258	2,496,675.72	13,500,977.95
N259	2,496,809.06	13,500,941.41
N260	2,496,943.37	13,500,934.80
N261	2,496,622.19	13,501,062.85
N262	2,496,691.92	13,501,050.62
N296	2,496,982.04	13,501,105.10
N297	2,497,006.66	13,501,293.18
N298	2,496,880.22	13,501,300.27
N301	2,497,104.50	13,501,297.26
N302	2,496,801.13	13,501,000.71
N303	2,496,858.40	13,500,945.69
N304	2,496,753.79	13,500,946.73
N299	2,496,901.10	13,501,191.73